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C O N F I D E N T I A L SECTION 01 OF 03 ROME 000211

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TO THE SECRETARY FROM THE CHARGE D'AFFAIRES

E.O. 12958: DECL: 03/15/2019  
TAGS: [PREL](#) [PGOV](#) [NATO](#) [MOPS](#) [IT](#)  
SUBJECT: YOUR FEBRUARY 27 MEETING WITH ITALIAN FM FRATTINI

REF: A) ROME 177 B) ROME 128 C) ROME 097 D) ROME 207

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Classified By: Elizabeth Dibble, Charge d'Affaires, for reasons 1.4 (b)  
and (d).

¶1. (C/NF) Summary. On February 27, you will meet Italian Foreign Minister Franco Frattini, an experienced and serious statesman who seeks to raise Italy's profile on the international stage. Your meeting represents for the GOI a long-awaited first encounter with the new U.S. administration. There is widespread anxiety in Rome that the Berlusconi government - in part because of its close cooperation with the Bush Administration - will not enjoy the level of access, cooperation, or influence that Italy has historically had with Washington. You can emphasize that the U.S. views Italy as a close and reliable partner in addressing many of the crises around the globe, but privately stress to Frattini that in order to be a true player in the international arena, Italy must make a serious effort to devote maximum diplomatic, military, and economic resources to address our shared burdens. Indeed, Italy's contributions have been indispensable in Lebanon, the Balkans and even in Iraq, but in the next few months we will need to devote significant attention to Afghanistan, Iran, and Russia - areas where we sense Italian trepidation in moving forward robustly. In Afghanistan, Italy's anemic economy and persistent underinvestment in defense is already causing GOI officials to yelp in anticipatory pain in response to new requests. Frattini should bring back a message that the additional resource commitments we want from Italy are those that will create sustainable progress on the ground, and not symbolic plus-ups intended to placate the U.S. and other allies. On Iran, Italy's insistence on more carrot and less stick and argumentation that sanctions are ineffective are thinly-veiled efforts to stick to the letter of the law on UN Security Council resolutions and EU decrees while shielding as much of its commercial relationship with Iran until the storm passes. You will want to let Frattini know that half-hearted measures do little to communicate the seriousness of the problem to Tehran. On Russia, Berlusconi's efforts to act as a self-appointed mediator between the West and Russia at best were an annoying distraction, and at worst worked against a tougher trans-Atlantic response to Russian aggression. Italy's Russia policy has also allowed its parastatal energy entities to undermine EU and US efforts at forging a common energy policy to counter Putin's strategy of using gas and oil as political weapons. PM Berlusconi has made it his quest to

"diffuse a new Cold War between the U.S. and Russia" (mostly on Russia's terms) and has made it clear he is willing to use the G8 summit to that effect. You can let Frattini know that the U.S. needs no mediator in its important bilateral relationship with Russia and that Berlusconi's push to compromise with Russia on Kosovo, Georgia, and NATO enlargement appear from our angle to be a misguided attempt to trade democratic values for promises of good behavior and short-term stability from the Kremlin. End Summary.

¶2. (C/NF) Your meeting with FM Frattini represents for the GOI a much-awaited and much-sought-after opportunity for the Italian government to show the new U.S. administration its readiness and even eagerness to cooperate with the U.S. across the international arena. PM Berlusconi and FM Frattini are both committed Atlanticists who look to the U.S. first and Brussels second for direction in addressing crises around the globe. Your meeting, therefore, has been highly anticipated and will be closely analyzed by GOI leaders at all levels, influential pundits and the public at large. Frattini hopes to show that Italy remains an influential and important ally and partner to the U.S. and an active player in resolving the global problems that affect Italy and Europe. Recognition from you that Italy is a valued friend and ally will greatly strengthen those voices that advocate for greater resources and a greater Italian role in international affairs, as well as continuing close collaboration with Washington.

¶3. (C/NF) Privately, however, you will want to encourage Frattini to bring back a message that in order to be a player Italy must devote the diplomatic, military and economic resources commensurate with the role it seeks. Poor economic performance coupled with budgetary decisions to reduce both defense and international affairs resources have constrained

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Italy's foreign policy influence. Bringing Italy back to a preeminent position alongside the major EU/G8 players will require a change of mindset from one that delivers piecemeal and symbolic resource increases when asked by the U.S. or NATO, to one that delivers long-term vision and resource commitments. This will become evident as you raise the issue of Afghanistan with FM Frattini. He will point to proposed Italian increases in troop strength - modest increases gained by shifting existing resources - and insist that budgetary pressures prevent greater commitments (ref a). You should refute this argument. Italy does have resources, but has preferred to expend its resources putting troops on the street to combat a perceived increase in crime rather than deploy overseas or shore up its inefficient national airline rather than devoting money to NATO goals.

¶4. (C/NF) On Iran, Italy has pushed aggressively to be included in the P5 1 claiming that its large commercial exposure makes Italian participation only fair - "no taxation without representation," as some GOI officials put it. Italian officials have argued that the international community must use greater persuasion incentives in its approach to Tehran, saying that sanctions have been historically proven to fail. In reality, Italy's bottom line is shielding as much of its bilateral trade with Iran as possible while implementing as narrowly as possible UN Security Council resolutions and EU decrees in the hope that the Iranian regime will come to its senses before real pain sets in for either side. GOI officials have avoided taking even relatively simple measures that might resonate widely (and send a tough political message to Tehran), such as the definitive closure of a mothballed branch of Iranian bank Sepah in Rome for fear of getting out in front of other EU states. Worse yet, public pronouncements that the current negotiating track is not working had led to the unintended but unfortunate impression among Iranian leaders that the international community, and especially the EU, is divided and that there are deals to be made outside of the P5 1. Frattini, like his EU counterparts, is anxious to get a sense

of where the Administration intends to go with Iran. He has publicly and privately urged U.S. officials to give a "no-objection" to inviting Iran to the G8 ministerial meeting on Afghanistan-Pakistan that the GOI intends to host on the margins of the June Foreign Ministerial. The Ministerial aside, however, it would be useful to leave Frattini with the clear understanding that, as with Afghanistan, we will be asking for more, not less, of Italy in terms of our collective efforts to pressure Tehran financially and economically.

15. (C/NF) Since his return to power, PM Berlusconi has made it a personal crusade to improve relations between Russia and the West. Close personal ties between Berlusconi and Putin, energy dependence, and a lack of institutional influence on the PM have created a dangerous and thinly-informed perception in Berlusconi's mind that a softer tone and full-throated compromises by the West will usher in a new era of peace and stability in Europe (ref c). The PM has proposed compromises that strike at the heart of our security interests in Europe, including questioning Kosovo's independence, supporting a revision of our policy of encouraging democratic and economic development through EU and NATO outreach to aspirant countries, and claiming that a dialogue with Russia insistent on democratic values is counterproductive. Just as troubling is Berlusconi's public claim that a change in U.S. administration coupled with Italy's G8 presidency provides him the opportunity and the mandate to help the U.S. and Russia resolve differences - but largely on Russia's terms. Frattini is one of a only handful of advisors who can influence Berlusconi on Russia and he should return to the PM with a message that the U.S. does not need an interlocutor in its important bilateral relationship with Russia and that, while we intend to pursue a constructive, pragmatic approach to our relations with Russia, we will not do so at the expense of our values or our allies. Frattini will likely respond that Italy's dependence on Russian energy (a relationship largely built by Italian energy parastatals) requires a good and stable relationship with Moscow. However, that same dependency may provide us an opportunity to encourage Italy to vigorously seek development of new energy sources, including nuclear, where the U.S. and France are vying to provide new technology for a restart of the nuclear sector in Italy (ref d) and to coordinate energy

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policy with the U.S. and EU to counter Moscow's use of resources as a political tool over Europe.

16. (C/NF) Frattini may raise the transfer of Guantanamo detainees, an issue that has received significant attention in Italy. Frattini himself has been very helpful, stressing Europe's responsibility to find a solution, but others in the GOI have been quicker to throw up road blocks or publicly dismiss the proposal out of hand. You will want to thank Frattini for his personal efforts on this issue, and encourage him to look for constructive ways to approach this problem.

17. (C/NF) Comment. Italy has been a solid and reliable partner on many fronts and has contributed to nearly every U.S. and NATO-led effort to bring stability and peace to troubled regions around the world in recent years. Italy's troop contributions and command of UNIFIL in southern Lebanon have been crucial to Israel's security and Lebanon's stability. Its contributions to peacekeeping operations in the Balkans have made it one of Europe's key players in the region. This spring, Italy phases out its leadership of an international mechanism (developed and implemented by Italy) to partner with the Iraqi government to coordinate international assistance for Iraq's economic development but it will continue to play a leading role in NATO's efforts to train Iraqi security forces. Yet, there is a very real perception among the Italian leadership that its historically good relations with the U.S. are at risk - a view reinforced by its perceived inability to get early access to you and to

the President. A public message from you that the U.S. values Italy's contributions will help allay those fears and set the stage for requests for greater and more committed Italian engagement on the issues that matter the most to us.

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